

SUSTAINABILITY REPORT  
2021



**WE ARE  
GERRY**

GERRY WEBER

## MISSION STATEMENT:

We are more than happy to live up to our responsibility for achieving a balance between people, nature and society! What this responsibility means in practice and how the demands made on this balance are changing constantly is something we deal with every day in multi-professional and diverse teams. The aim is to integrate our social commitment to sustainable operations into all processes of our business activities. This is what we work for every day.

"I wear. I care." – our sustainable label is both a commitment and an incentive for us to create beautiful and responsible fashion. We assume responsibility by strictly testing materials and production methods. As we are stronger as a team and cannot implement the comprehensive controls alone, we trust in our reliable partners: bioRe®, OEKO-TEX®, amfori and GOTS.

We regard our great responsibility not only as a duty but also as an opportunity for our society and its future development. We at GERRY WEBER want to be part of this shared future and make the world a little bit better wherever we can. As a learning and constantly evolving organisation, we have learned – especially during the COVID-19 pandemic – that the future cannot be shaped positively and sustainably without accepting responsibility.



# CONTENT

## **4 FOREWORD BY THE MANAGING BOARD**

## **8 GERRY WEBER SUSTAINABILITY REPORT**

### **8 REPORT PROFILE**

### **9 COMPANY PROFILE**

### **12 RESPONSIBLE CORPORATE GOVERNANCE – WE ARE GERRY**

### **13 COMPLIANCE**

13 Values and Guidelines

13 Compliance Management System

13 Anti-Corruption and Bribery

13 Code of Conduct

13 Social Compliance Agreement

### **14 DATA PROTECTION AND INFORMATION SECURITY**

### **14 SUSTAINABILITY MANAGEMENT**

### **15 SUSTAINABILITY STRATEGY**

15 Material topics

### **17 SUSTAINABLE DEVELOPMENT GOALS (SDGS)**

18 Our stakeholder

18 Memberships

19 Product

21 Partners

22 Human rights risk analysis

23 Social responsibility in the supply chain

24 Regular audits

25 Living wage

26 Environmental responsibility in the supply chain

26 OEKO-TEX 100 certification

27 Global Organic Textile Standard (GOTS)

## **27 EMPLOYEES**

28 Management approach

29 Our employee structure

31 Diversity at GERRY WEBER

31 Work-life balance

31 Occupational safety and health protection

32 Education and training

## **34 ENVIRONMENT**

34 Management approach

34 EU taxonomy

35 Climate change mitigation

36 Energy

36 Emissions

37 Environmentally friendly dyeing methods

## **38 SOCIETY**

38 Management approach

38 Focus points of our commitment to society

## **40 GRI DIRECTORY**

## **44 IMPRINT**

# FOREWORD BY THE MANAGING BOARD

Sustainability Report 2021 of GERRY WEBER International AG

## Dear readers,

The past year 2021 has presented us with global and profound changes: the pandemic entered its second year and climate change is increasingly making itself felt, presenting our society, our economy and also our governments with even greater challenges.

We are all asked to make climate change and thus sustainability the focus of our actions at all levels and to firmly anchor it in our existence.

The existential relevance of sustainability has a multitude of effects on consumer behaviour – also in connection with clothing. 74 percent of the consumers in Germany say they have changed their consumer behaviour in favour of greater sustainability. 40 percent are even willing to spend more money on sustainable fashion.

This pleasing trend, which has been confirmed in a study conducted by strategy and marketing consultancy Simon-Kucher & Partners in 2021, encourages us at GERRY WEBER to continue driving forward our sustainability strategy. For us, sustainability is not a short-lived trend, but an investment in the future. By investing in sustainability, we invest in value preservation and sustainable value creation.

The type of implementation and measurability were defined in our sustainability agenda in 2021.

- We have systematically developed, integrated and published 25 specific and measurable goals across all divisions.
- This future-relevant foundation has been developed by our new CSR Task Force, which was established last year and comprises members from all divisions. This Task Force will now intensify the ongoing development and support the targeted implementation of our qualitative growth. As a first gratifying result, the CSR Task Force and the CSR Department will assume greater overarching responsibility, which will also give them more room for manoeuvre.

This is the logical and future-relevant further development of our brand and our brand claim  
# I WEAR I CARE – # WE ARE GERRY



**Angelika Schindler-Obenhaus (CEO) and Florian Frank (CFO)**

We took a bold approach.

We tried things out, we made mistakes, we thought in new ways and we surprised everyone. We have launched the following successful projects together in just one year:

1. Our first second-hand test area has been installed and we are excited to see the results and the reactions of our customers
2. Roll-out of our recycling boxes across all stores in Germany and Austria
3. Cooperation with Leibniz University on recyclates
4. A cooperation with students from AMD Düsseldorf has shown us what to do with remnants and dead stock: dog beds are the current big sellers.

We have learned that our customers are more than willing to be taken on a journey towards the circular economy.

In my capacity as Chairwoman of the Managing Board, I am responsible for the essential anchoring of the sustainability concept in our Group. But sustainability is a highly relevant issue also for my fellow Board member, CFO Florian Frank: on the capital market, the existence of a substantial sustainability strategy is of significant importance for any company today.

By taking many small and big steps, we at GERRY WEBER want to bring sustainability out of the periphery and make it an integral element of our corporate culture and our brand. We believe it is our corporate responsibility to make our contribution to a better environment and to give the next generation a perspective for the future. We want to shape a world in which we can all work and live together in health and peace.

The sustainability agenda is only the beginning. We aim for every employee to consider sustainability in every decision they make. It is the task of the "Sustainability Ambassadors" from the Task Force to firmly implement this idea down to its final implementation throughout the company.

**“New ways of thinking and concepts** are in demand to set up companies sufficient – for the **future** and the social change.”

Angelika Schindler-Obenhaus, CEO GERRY WEBER

With a view to turning all employees into sustainability experts, we will organise our first Sustainability Week in 2022 in order to transport all topics across the board. CSR is no longer a special topic at GERRY WEBER but concerns every single one of us. To be continued!

During the final editing of our Sustainability Report, we at GERRY WEBER were, like so many others, stunned to watch the Russian invasion of Ukraine. War is the least sustainable solution to address the real challenges on our planet. So besides the activities described in this Report, our outlook on the coming year will essentially be influenced by mitigating the economic consequences of this war. At this stage, we can only hope that there will be a peaceful solution. We at GERRY WEBER stand in solidarity with all the people who are working towards such a peaceful solution and we support all the victims of this war and the people who have fled. GERRY WEBER will look for possibilities within and outside the company to contribute to this enormous task.

With great solidarity, the employees of GERRY WEBER have sent non-cash donations to Ukraine and collected monetary donations for the aid organisations via [betterplace.org](https://www.betterplace.org).



**Angelika Schindler-Obenhaus**  
Chief Executive Officer  
CEO | GERRY WEBER



**Florian Frank**  
Chief Financial Officer  
CFO | GERRY WEBER



# GERRY WEBER SUSTAINABILITY REPORT

2021

## REPORT PROFILE

This is the Sustainability Report of GERRY WEBER. The Report is primarily aimed at business partners, investors and private shareholders, employees, customers and non-governmental organisations as well as interested parties from socially engaged groups, politics, business and science. The Report provides information on the company's sustainability activities and goals and adheres to the guidelines of the Corporate Social Responsibility Directive Implementation Act (CSR-RUG) and is based on the guidelines of the Global Reporting Initiative (GRI). GERRY WEBER has determined and prioritised the contents of the Report on the basis of a materiality analysis.

The Report covers the period of the fiscal year 2021 with a reporting date of 31 December. Material activities that occurred after this date were also taken into account up to the editorial deadline of 31 March 2022. The Sustainability Report has been approved by the Managing Board of GERRY WEBER International AG and the Supervisory Board and is available in German and English.

The quantitative information in the Report relates to the GERRY WEBER Group. Where possible, the key figures were determined by means of full data collection, i.e. on the basis of actually available data.

### GERRY WEBER International AG and its affiliated companies

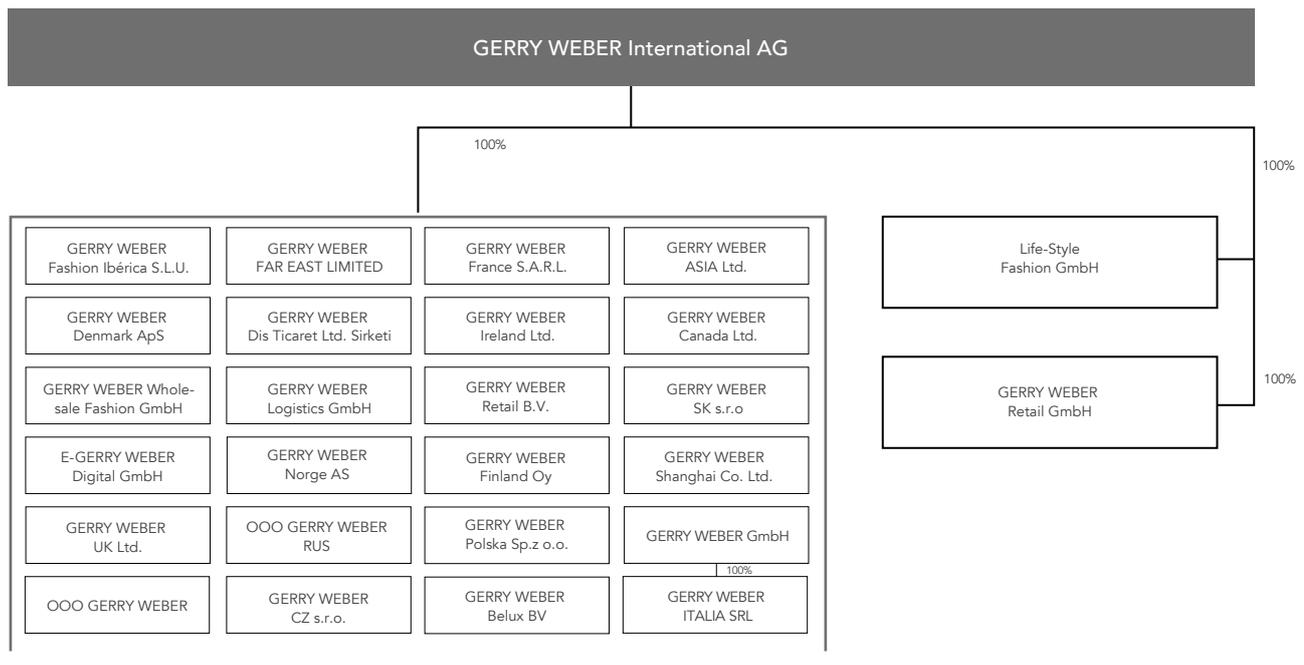




Image copyright: Nicole Donath

## COMPANY PROFILE

GERRY WEBER International AG, headquartered in Halle/Westphalia, is a global fashion and lifestyle company that unites three strong fashion brands under one roof: GERRY WEBER, TAIFUN and SAMOON. Our brands stand for trend-oriented, high-quality fashion and accessories for the demanding, quality-conscious and fashionable woman. Each brand underlines the wearer's individual style in its

own unique way. Established in 1973 and listed on the Frankfurt Stock Exchange, GERRY WEBER International AG is today one of the best-known fashion and lifestyle companies. The Group has distribution structures in more than 60 countries and is one of the largest fashion groups in Germany.

# GERRY WEBER

GERRY WEBER is the leading womenswear lifestyle brand in the modern classic mainstream market – inspiring women around the world.



# TAIFUN

TAIFUN is the relevant brand in the Modern Casual Mainstream market – It accompanies every moment in the day of the modern active woman.





# SAMOON

SAMOON is the leading Curvy Womenswear brand in the Modern Mainstream segment.





# COMPLIANCE

## Values and Guidelines

The trusting and value-based cooperation with employees, business partners, shareholders and the public forms the basis of GERRY WEBER International AG. Justifying and increasing this trust is one of the tasks of each individual employee.

Appreciation and respect are fundamental values to us. We respect individual and cultural differences. What is more, we stand for equal opportunities and respect human rights. We do not tolerate disrespectful, intimidating or offensive actions towards GERRY WEBER International AG, customers, business partners, shareholders or employees. Our personal exemplary behaviour plays a major role in ensuring that GERRY WEBER is perceived as a responsible and reliable organisation.

## Compliance Management System

The Compliance Officer reports directly to the Managing Board. His key task is to develop and optimise the Group-wide Compliance Programme and to train employees and executives. The Compliance Officer also serves as the chairperson of the Compliance Committee. The latter aims to constantly improve the Compliance Programme and meets at regular intervals. In its steering function, it plays an interdisciplinary role in the alignment of the Compliance Programme and the compliance activities in the company. In its advisory function, it assists in the investigation of significant breaches of compliance rules and recommends appropriate measures.

## Anti-Corruption and Bribery

GERRY WEBER International AG operates in a wide variety of different regions across the globe. The company therefore needs to prevent illegal conduct and to implement strict rules and regulations against corruption, bribery, antitrust law violations and other unlawful actions.

The Code of Conduct forms the basis for our Group Compliance Guidelines, which elaborate on the most important topics. The guidelines on antitrust and competition law, the avoidance of conflicts of interest, dealing with gifts and invitations, handling data and information, social compliance, the capital market as well as health, environment and safety create a binding framework that helps us achieve our goals.

The Compliance Programme is complemented by a company-wide whistleblowing system that encourages employees to speak openly about their ideas and to point out circumstances that relate to the violation of laws or internal policies. In such cases, employees may report to their superiors, the respective management team, the Works Council and the Compliance Officer. Employees and third parties may also contact an independent,

external ombudsman of GERRY WEBER. If desired, the ombudsman will ensure the anonymity of the whistleblower towards GERRY WEBER.

In the reporting year, questions that were raised related primarily to COVID-19. These were settled by the Compliance Officer. There were no cases of corruption in the year under review.

Information and documents about the Code of Conduct, the Group Guidelines and whistleblowing, plus all relevant contact details, are available to all employees at any time via the company intranet and to third parties on the company's website.

## Code of Conduct

We want to offer all employees a consistent and secure basis and have established guidelines for responsible action. These are summarised in the GERRY WEBER Code of Conduct.

The Code of Conduct contains rules on how to treat colleagues, customers, suppliers, business partners and other stakeholders. It applies equally to everybody – Board members, executives and employees worldwide. It is designed to help us meet the demands that are made on us by society and by ourselves.

## Social Compliance Agreement

Actively promoting compliance with laws, regulations and human rights is not only the responsibility of GERRY WEBER International AG but is also firmly anchored in our self-image and our values.

This applies to our employees and to all people who work along the value chain.

As early as in 2010, we therefore joined the Business Social Compliance Initiative, which was renamed amfori BSCI in 2018. amfori BSCI is an initiative for retailers, industry and importers to monitor and improve social standards, working conditions at suppliers and farms in a global value chain. Core elements of the amfori BSCI programme are to train the awareness and knowledge of employees' needs and to work in partnership to improve possible grievances.

Any cooperation with suppliers is based on the amfori Code of Conduct, which, together with the Terms of Implementation, must be signed before the start of any cooperation.

The amfori BSCI Code of Conduct builds on the UN Guiding Principles for Business and Human Rights, the UN Declaration on Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Global Compact and International Labour Organization (ILO) and Children's Rights and Business.

The details of compliance with and implementation of the amfori BSCI Code of Conduct are laid down in the Social Compliance Agreement, which must also be signed by our business partners and their potential subcontractors before the start of any business relationship.

The Social Compliance Agreement is to be completed by a complaints procedure in 2022. The complaints procedure is intended to give the employees of our suppliers the opportunity to address complaints about violations of the amfori BSCI Code of Conduct directly to us. The complaints will then be communicated by amfori and resolved accordingly in cooperation with the company concerned. We are developing this system together with amfori BSCI and expect to go live in Q3 of the reporting year.

## DATA PROTECTION AND INFORMATION SECURITY

Information, whether analogue or digital, is of central importance to GERRY WEBER International AG. To maintain an appropriate level of protection, we have established a corresponding organisation for both data protection and information security management. This enables us to comply with the high legal requirements of the General Data Protection Regulation.

Data, in particular personal data, of customers, employees, business partners and shareholders are not only highly relevant to each individual but also worthy of protection to GERRY WEBER International AG. We have drawn up binding guidelines to keep the risk of violations of regulatory requirements to a minimum. In consultation with the Data Protection Officer and the Compliance Officer as well as the departments concerned, these guidelines are checked for their up-to-dateness and effectiveness and adjusted by the Managing Board as required.

## SUSTAINABILITY MANAGEMENT

GERRY WEBER International AG attaches great importance to reconciling environmental protection, social responsibility and economic success. Sustainable action along the value chain is both part of our identity and a fundamental principle of our corporate responsibility.

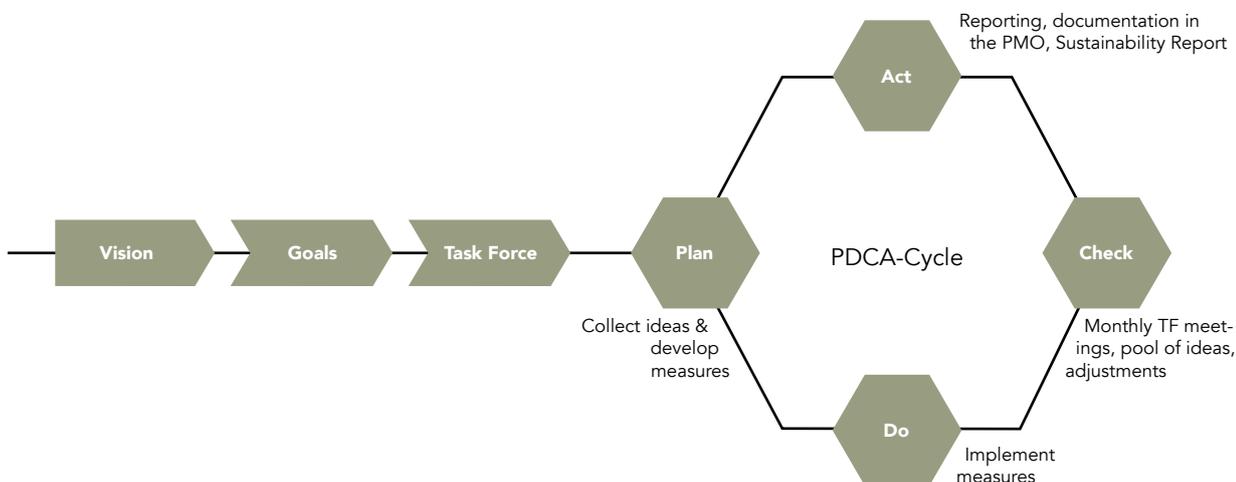
Overall responsibility for all sustainability issues lies with the Managing Board of GERRY WEBER International AG. The Managing Board decides on the sustainability-related guidelines and standards that apply throughout the Group. Strategically and operationally, sustainability is managed and implemented in the Corporate Social Responsibility Department.

The latter cooperates closely with the Purchasing, Supply Chain Management and Design Departments to ensure proper implementation. Purchasing and quality assurance teams have been installed in our supplier countries. These teams have been trained by our CSR staff, especially on aspects of environmental and social standards, and assist in ensuring compliance.

In the reporting year, we installed the Sustainability Task Force, which, together with the Corporate Social Responsibility Department, serves as a cross-functional and cross-departmental steering committee.

The Management Board is responsible for leading the Sustainability Task Force, which means that it has a direct influence on the measures introduced and their implementation.

### Approach



The Task Force is composed of representatives of the Purchasing, Product Development, Supply Chain, Communication and Retail Departments. They contribute their specific expertise, e.g. in the areas of human resources (HR), marketing or supply chain to help us achieve our sustainability goals. The Task Force also ensures cross-functional prioritisation. The prioritization is made in close consultation with the Executive Board. Regular meetings are held with the Management Board at intervals of 4 weeks.

It meets regularly every four weeks. Issues addressed by the Task Force in the reporting year included the re-certification of the organisation to ISO 50001, 14001 and GOTS, in-store recycling and e-bicycle leasing for our employees.

Sustainability is important to GERRY WEBER International AG, but we will be able to implement it successfully only if people are aware of it across all levels of the organisation – and it is understood and filled with life by every single one of us. This is why we regularly inform our employees about the project of the Sustainability Task Force as well as about the strategy and goals. We encourage them to participate in our sustainability projects and to be proactive themselves.

# SUSTAINABILITY STRATEGY

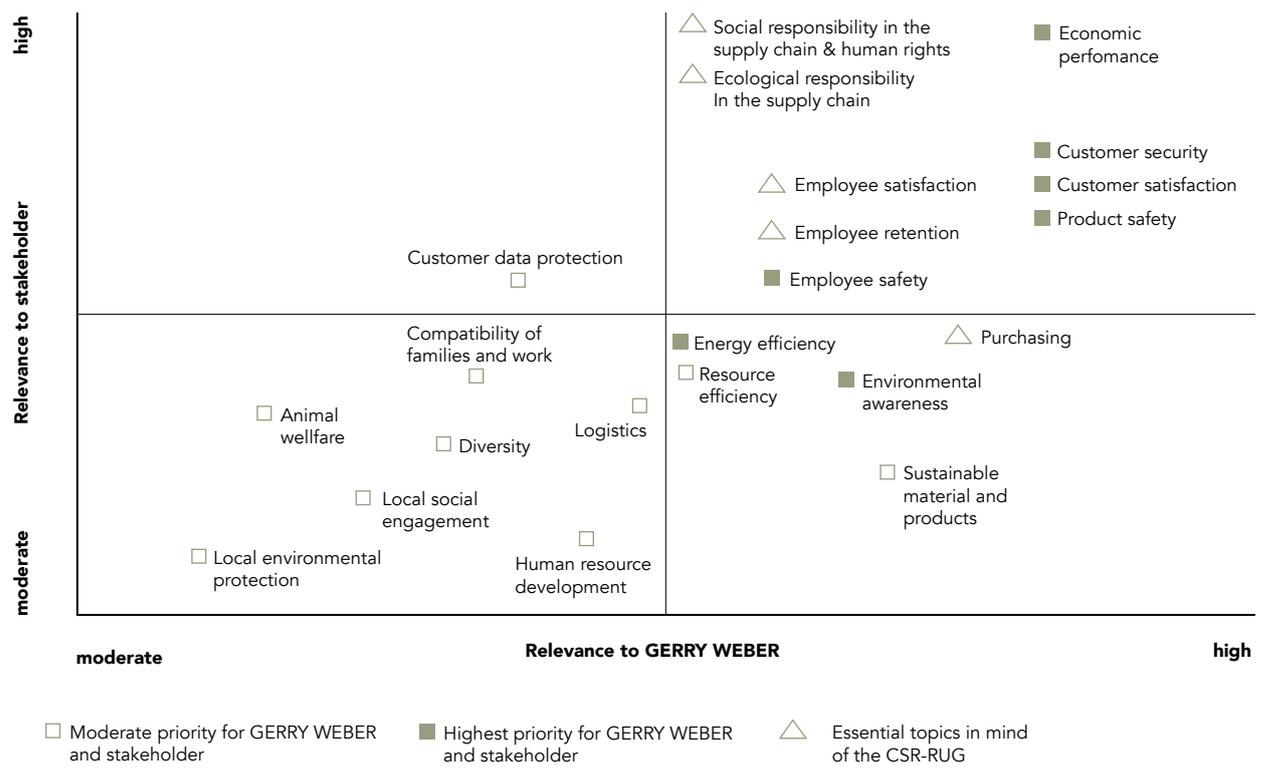
## Material topics

In 2020, GERRY WEBER International AG carried out a materiality analysis to identify all sustainability topics that are important to the company and to define the focal points of its sustainability strategy and reporting. In this context, the requirements of both the Global Reporting Initiative (GRI) and the CSR Directive Implementation Act (CSR-RUG) are observed.

The materiality analysis took into account the special challenges of the COVID-19 pandemic as well as social topics. A survey among different stakeholder groups showed that high priority is attached to the “Employees” topic.

We used the results of the materiality analysis to finalise our sustainability strategy in the reporting year. On the basis of this strategy, the company has defined strategic goals for its fields of action in its sustainability programme.

## Materiality matrix

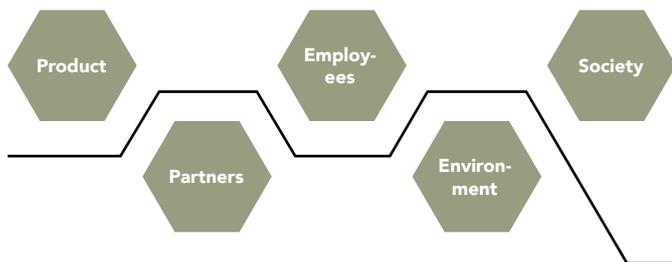




The effects of our business activities on social and environmental issues were also included in the assessment of the issues. On this basis, the company defined strategic goals for its fields of action in its sustainability program. The fields of action are focus areas that reflect the overall impact of our activities along the value chain. These correspond to the non-financial aspects specified

in HGB § 289 c. Overall, the sustainability strategy comprises a total of 25 goals and 5 fields of action. The goals set for the individual fields of action correspond to the prescribed key non-financial performance indicators. We go into these indicators in the respective topic blocks. We will continuously report on the progress of the identified goals.

**Fields of action**



**Explanation**

- the targets of the GERRY WEBER sustainability strategy are divided into the five action fields
- they cover all ESG criteria and the requirements of legal, non-financial reportings
- the division into action fields makes it easier to cluster the extensive topic of sustainability
- the progress is documented and reported through a continuous PDCA cycle

## SUSTAINABLE DEVELOPMENT GOALS (SDGS)

We contribute to the Sustainable Development Goals (SDGs)



The 17 SDGs were published by the United Nations in 2015 as part of the 2030 Agenda. They comprise 169 social, environmental and economic sub-goals and are mutually dependent. These 17 goals can be assigned to five areas of critical importance, the **"5 Ps": People, Planet, Prosperity, Peace, Partnership** – to focus on the dignity and equality of humanity, to protect the climate and resources, to promote prosperity and peace for all and to build global partnerships.

All countries (developing countries, emerging countries, industrialised nations), civil societies and private sectors are called upon to address these issues, goals and targets. GERRY WEBER International AG lives up to this responsibility and has identified six goals to which we can and want to make an active contribution. We have defined targets and measures whose degree of achievement will be reviewed annually and adjusted if necessary.

**The following chapters of the Report explain the link between the SDGs and the individual sustainability activities of GERRY WEBER International AG.**



## Our stakeholder

The exchange with our stakeholders is of great importance to us and helps us identify relevant topics. We make a distinction between direct and indirect stakeholders. Direct stakeholders of the GERRY WEBER Group are investors, customers, analysts, business clients, employees and suppliers. These groups have a direct influence on our business activity and value chain and/or are directly affected by our corporate activities.

The following players are indirect stakeholder: the general public, competitors, civil society (associations, initiatives, non-governmental organisations), rating agencies, authorities, banks, politicians, trade unions and the media.

Our end customers are an important stakeholder group for the GERRY WEBER Group. Therefore, their opinions, questions and concerns are extremely important. Customer queries are analysed regularly. Our social media activities on social networks, such as Facebook and Instagram, also lead to fast and direct exchange with our end customers.

We are a member of various associations and initiatives. As a result, we maintain a constant exchange with representatives of non-governmental organisations (NGOs), politicians, civil society and other fashion companies. This allows us to identify and address material topics of our stakeholder groups, competitors and NGOs at an early stage. The latter increasingly place a focus on topics such as human rights in the supply chain, sustainable materials and animal welfare.

We conduct media analyses to find out how often the GERRY WEBER Group is mentioned in the (trade) press. The results are compared with previous analyses and help us identify topics that are particularly relevant to the general public. We also keep an eye on the fashion industry as a whole as well as on our employees.

## Memberships



tions contributes to SDG 17.

GERRY WEBER International AG is active in initiatives and cooperations to initiate systemic changes in the fashion industry. Through our partnerships we achieve more than on our own. Our involvement in the various organisa-



### Amfori BSCI

GERRY WEBER International AG has been an active member of the amfori Business Social Compliance Initiative (BSCI) since 2010. We work in various project groups to ensure that international labour and social standards at our worldwide suppliers are complied with and improved. GERRY WEBER International AG has joined forces with more than 2,500 other companies to systematically and sustainably improve conditions along the supply chain.

### PARTNERSHIP FOR SUSTAINABLE TEXTILES



GERRY WEBER International AG actively participates in the Textiles Partnership established in 2014 by then German Development Minister Dr. Gerd Müller. The government, companies, non-governmental organisations, trade unions and standard-setting organisations have joined forces in the Textiles Partnership to sustainably improve social and environmental conditions along the supply chain. To this end, numerous measures and projects have been launched in recent years and also implemented in our Group.

### GERMAN FASHION



We are a member of German Fashion Modeverband Deutschland e.V., which represents the German fashion industry. The association is available to its member companies for all sector-specific and day-to-day issues and represents their interests vis-à-vis legislators, authorities and other organisations. In addition, members are informed about current developments in the fashion industry.

### DIALOG TEXTIL-BEKLEIDUNG



Dialog Textil-Bekleidung (DTB) is a platform for open dialogue between experts that we use regularly. Companies from the entire textile chain (including brands and retailers) form working groups with educational institutions, institutes and industry-relevant bodies to develop solutions for textiles-related issues. Within the textile and clothing industry, the main focus is on improving product quality. Dialog Textil-Bekleidung strengthens the economic efficiency and competitiveness of its international members.

**CONFEDERATION OF THE GERMAN TEXTILE AND FASHION INDUSTRY**



In economic policy matters, our industry is represented by the Confederation of the German Textile and Fashion Industry (textil+mode), which also serves as an employers' association in the area of social and collective bargaining policy. One of the goals of the Confederation is to secure the innovative strength and thus the leading position of textile and fashion companies worldwide and to demonstrate the attractiveness of Germany as a business location at home and abroad. The Confederation is divided into regional associations and specialist associations. They are tasked with safeguarding and promoting common economic, professional and technical industry interests.

**Product**



GERRY WEBER International AG wants to offer its customers products that are socially sound and health-friendly and that do not adversely affect the natural resources of the earth. At the same time, however, we want to meet our customers' demands for durable, high-quality and innovative products.

In 2021, we therefore set ourselves targets to increase the share of sustainable products and to pay attention to the responsible extraction of raw materials. By steadily increasing the use of recycled and environmentally friendly materials, we can also achieve transparency in

the supply chain and promote the principle of a circular economy in the long term.

Just like the protection of natural resources, animal welfare and species protection are very important to us. GERRY WEBER International AG therefore joined the animal welfare initiative "FUR FREE RETAILER" already back in 2015 and has banned the use of certain materials of animal origin.

With this comprehensive approach, GERRY WEBER contributes to the implementation of Sustainable Development Goal 12.

**Management approach**

Through its products, GERRY WEBER International AG has considerable influence on the environment and on natural resources. With a view to conserving natural resources and the environment, we have therefore set ourselves the goal of gradually increasing the share of sustainable materials.

While we have used sustainable materials since 2016, the reporting year was the first to see the company define strategic targets for certain materials to replace them with more sustainable alternatives.

These materials were chosen in view of their high share in the total volume and/or due to their negative impact on resources and the environment.

The targets for the gradual increase in the share of sustainable materials were set and approved within the Sustainability Task Force together with the product managers in the reporting year.

In the production of the collections, attention is paid not only to qualitative criteria but also to choosing

**Strategic Targets Products**

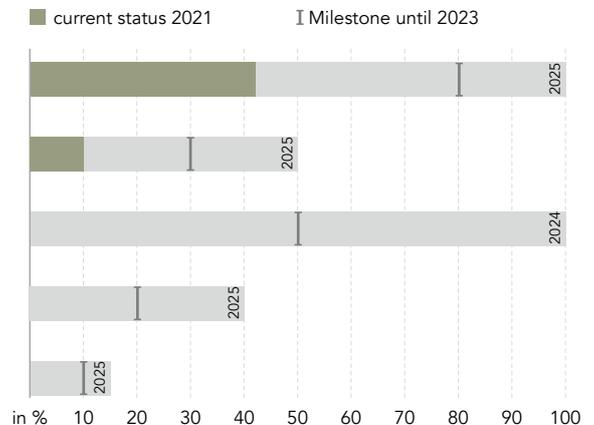
Increase the share of certified/sustainable cotton to 100% of the total volume by 2025

Increase the share of sustainable cellulose fibers (Lenzing™ Lyocell/Tencel™, Ecovero™) to 50% by 2025

Increase the share of certified/recycled cashmere to 100% by 2024

Increase the share of certified/recycled wool to 30% of the total volume by 2025

Increase the share of recycled synthetic fibers to 15% by 2025



sustainable materials. Whenever permitted by the respective production requirements, preference is to be given to sustainable materials.

We regularly review the targets together with the Product and Procurement Officers. Should deviations be identified, their causes are analysed and adjustments are made, if required.

The following paragraph provides information on the sustainable materials.

**The steadily growing use of certified and recycled materials increases the transparency of the supply chain and supports the principle of the circular economy.**

### Organic cotton

Cotton is one of the most commonly used materials for the products of the GERRY WEBER Group. It has various positive properties. Cotton offers a comfortable feel.

The fabric is very soft,

breathable, kind to the skin and long-lasting. However, a lot of water is consumed and pesticides and fertilisers are often used in the conventional cultivation of cotton. As demand for cotton is very high, genetically modified seeds are used in cotton cultivation.

In view of this environmental impact and the importance of the material, we have decided to gradually increase the share of certified, more sustainable cotton.

### Sustainable cellulose fibres

Viscose is another important material for GERRY WEBER. It is a soft, breathable material with a silky look. It is made from a wood-based cellulose fibre, treated with chemicals, filtered and spun into threads. Production involves high energy and water consumption as well as chemical processes that have a negative impact on people and the environment.

We have therefore decided to gradually replace the proportion of conventional viscose with more sustainable alternatives, which are described below.

#### TENCEL™ Lyocell

Lyocell is produced by Lenzing AG, Austria, under the brand name TENCEL™ Lyocell and is a particularly sustainable cellulose fibre obtained from eucalyptus wood.

TENCEL™ Lyocell is environmentally friendly as it is compostable and biodegradable. Moreover, eucalyptus is a

raw material that requires no artificial irrigation, as the process water is recycled. Likewise, the solvent is recycled.

#### TENCEL™ Modal

TENCEL™ Modal fibres are obtained from naturally growing beech wood from European forests. Lenzing AG's Eco Soft technology, a chlorine-free bleaching process, makes the resulting fabric particularly long-lasting soft, breathable and pleasant on the skin.

TENCEL™ Modal is environmentally friendly as it is compostable and biodegradable. It is produced in an environmentally friendly FSC®-certified manufacturing process.

#### Lenzing EcoVero™ viscose

EcoVero™ viscose, which is also produced by Austrian company Lenzing AG, is considered the most ecological and cleanest viscose that can be produced. While the ecological production process makes the innovative fibre from wood and pulp particularly attractive, it is also characterised by a pleasant feel, as the material is soft, breathable and friendly to the skin.

EcoVero™ viscose is environmentally friendly as it comes from FSC® and PEFC™-certified, controlled and sustainable wood and pulp sources. The production process requires far less water and fossil energy. The chemicals used and the water are recycled. This reduces emissions and water pollution by 50%.

### Recycled polyester

Recycling plastics such as polyester into usable materials is becoming increasingly important for people and the environment. PET from plastic bottles, for instance, is therefore used for the production of recycled polyester. For this purpose, the PET is first cleaned, shredded and then converted into a polyester fibre.

The advantages of recycled polyester:

- Reduced consumption of raw materials
- Less waste
- Durable, elastic and resistant

Due to the environmental impact of polyester, we have decided to gradually reduce the share of recycled synthetic fibres by 2025.



**Animal welfare**

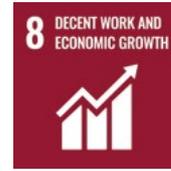
Animal welfare and species protection are of great importance to GERRY WEBER. We refrain from using angora wool, as species-appropriate husbandry cannot be guaranteed in fur production. Nor do we use feathers and down from live plucking or foie gras production. We oblige our suppliers to comply with all national and international regulations on animal welfare.

GERRY WEBER International AG prohibits any mulesing of sheep. This is a painful surgical procedure performed without anaesthetic, in which wool-bearing skin from around the breech of a sheep is removed to prevent a parasitic flystrike infection.

To better address animal welfare, we decided in 2021 to gradually increase the share of certified or recycled wool to 30% by 2025. We have also set ourselves the goal of increasing the share of certified or recycled cashmere to 100% by 2024. This way, we want to make sure that the raw materials used for our products are obtained under species-appropriate conditions.

We exclusively use leather and skins from farm animals. The GERRY WEBER Group does not use real fur and joined the international Fur Free Retailer programme in 2015.

**Partners**



The trusting and value-based co-operation with employees, business partners, shareholders and the public

forms the basis for our work at GERRY WEBER. Justifying and increasing this trust is one of the tasks of each individual employee.

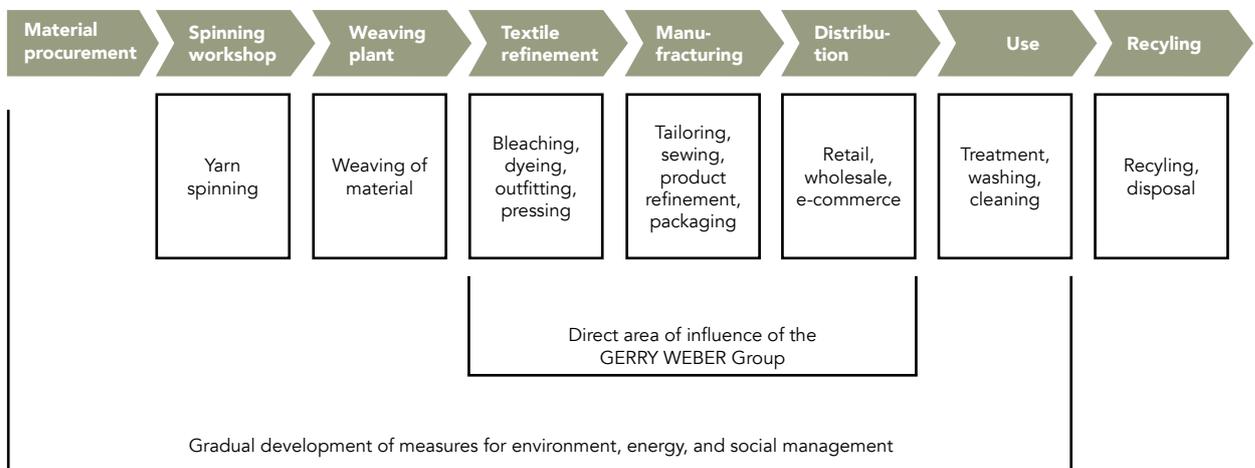
At GERRY WEBER, we assume responsibility for both our own employees and the employees of our suppliers.

We support the latter with the aim of ensuring compliance with human rights, social standards and labour rights as well as the payment of fair wages. We condemn and prohibit child, forced and compulsory labour and will not tolerate such exploitative and inhumane practices under any circumstances.

GERRY WEBER is aware of the environmental impact of its business model. We have therefore set ourselves the goal to reduce our ecological footprint in our manufacturing countries. The use of chemicals has been identified as a material field of action. This is explained in more detail in the "Responsibility in the supply chain" chapter.

We thus make a contribution to SDGs 8 and 12.

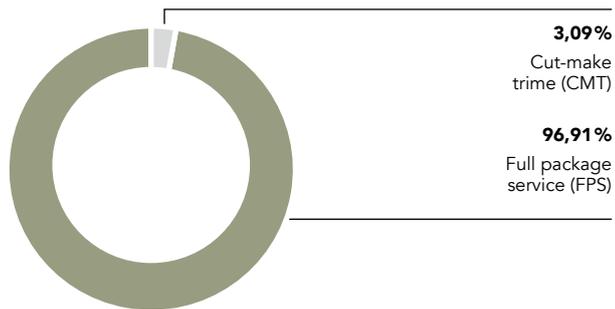
**Our textile supply chain**



### Management approach

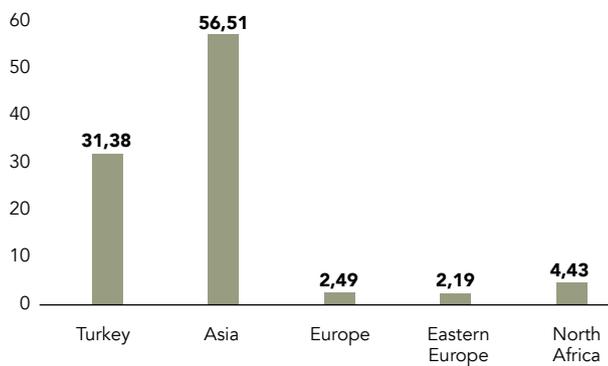
GERRY WEBER International AG is a globally operating company. Our products are mainly manufactured in Asia and Turkey. There was no cooperation with local suppliers in the year under review. Breakdown of procurement in the reporting year:

#### Procurement volume by type of procurement



Heike Wendorf, Director Purchase

#### Procurement volume per country/region



There were no significant changes in the supply chain in the year under review.

As a responsible company, the GERRY WEBER Group is committed to fair and safe working conditions in the factories that work for us in the global supply chain. We regard this as a fundamental element for upholding human rights. Our actions are based on a human rights risk analysis, the amfori BSCI Code of Conduct and the Social Compliance Agreement, which builds on the latter. These must be signed by each manufacturer prior to the start of any business relationship. They ensure healthy and safe working conditions as well as environmentally sound processes in the production plants. If the Code of Conduct and the Social Compliance Agreement are not signed, no business relationship will be established.

The Procurement and Corporate Social Responsibility Officers of GERRY WEBER International AG are responsible for the execution, realisation and implementation of our measures.

### Human rights risk analysis

**Suppliers undergo a strict selection and screening process; they must sign the Code of Conduct and the Social Compliance Agreement.**

Another fundamental instrument of action is a human rights risk analysis, which we use to identify, minimise or prevent risks in our supplier companies. The risk analysis is carried out as required and at least prior to the start of any new business relationship. Based on the results of the risk analysis, we develop measures to minimise and prevent the risks or to remedy their consequences. We analysed the following human rights risks:

- Child labour
- Forced labour
- Occupational safety
- Discrimination
- Unfair/poor remuneration
- Overtime (unpaid, too frequent, involuntary)
- Insufficient health protection

- No right to freedom of association and collective bargaining (trade unions)
- No environmental protection
- Precarious employment

We have defined four criteria to weight the human rights risks and impacts of our business activity for each manufacturing country:

1. Probability of occurrence
2. Scope
3. Impact
4. Remedy

We use the continuously updated country profiles, the due diligence tool of the amfori BSCI and the publicly accessible CSR Risk Checker of MVO Nederland as the basis for our assessment. MVO Nederland is a movement of Dutch entrepreneurs for sustainable business and a strategic partner of the Alliance for Sustainable Textiles. From these sources, we create an overall assessment of the probability of occurrence of each risk.

The scope is determined by the total number of all employees in the sewing factories that work for us in the respective procurement country who could be affected by this risk.

For the "Impact" criterion, we analyse what player would be responsible for the risk occurring. We assess whether we have a direct or indirect influence on the risk. We are able to take preventive measures only if our company has a direct influence.

In order to be able to assess and evaluate the current, extraordinary or temporary developments in each supplier country, we have included further factors for a country-specific risk assessment in addition to the four criteria mentioned. These further criteria include aspects such as frequent strikes, political instability or severe weather disasters.

Building on this risk analysis, it is possible for us to initiate measures, and we have set up an audit management system for this purpose. Possible measures include, for instance, targeted training, on-site visits to suppliers by employees or the initiation of an immediate audit. This is explained in greater detail in the "Regular audits" chapter.

The human rights risk analysis is an ongoing process that we constantly analyse, review and, if necessary, adjust based on current developments and findings.

## Social responsibility in the supply chain



Annette Koch, Head of CSR

### Supplier management

**Suppliers undergo a strict selection and screening process; they must sign the Code of Conduct and the Social Compliance Agreement.**

Responsible supplier management requires the careful selection of partners. The following aspects are therefore integral elements of

the strict selection and onboarding process: delivery reliability, compliance with high quality and processing standards and with legal requirements, competitive prices and compliance with social standards. Every new supplier must present an amfori BSCI or comparable audit before starting production for the GERRY WEBER Group. If no social audit exists prior to the start of cooperation, this must be carried out by an independent audit firm accredited by amfori BSCI. If the audit results are not acceptable, no cooperation will take place. Child and forced labour are considered zero-tolerance criteria. If child labour is deliberately or intentionally used by one of our suppliers, the business relationship will be terminated as a last resort. At the same time, we will initiate reparation measures with the help of NGOs or initiatives where this is possible.

The business relationship will equally be terminated if the deficiencies identified in an audit are not remedied within the agreed deadline.

Before the finished garment is obtained, the products of GERRY WEBER International AG pass through various stages of production, which is why our suppliers work with different subcontractors.

It is very important for us to exactly know our suppliers and their subcontractors, as this is the only way for us to best maintain full control and transparency over our supply chain. The provision of complete information on subcontractors is therefore obligatory for us. The verification of subcontractors is controlled within the framework of the amfori BSCI audit. GERRY WEBER employees randomly check this on site.

In order to fully meet our responsibility, it is our goal to obtain transparency on all stages of production of our products. This is the only way for us to ensure that our suppliers' subcontractors also comply with our values and guidelines.

As a first step, we have set ourselves the goal of obtaining 100% coverage of our entire supply chain by 2025. In 2021, we already covered 30% of the entire supply chain, i.e. we identified the upstream suppliers at stage 2 as well as the wet operations upstream of the suppliers.

To ensure compliance with human rights and social standards also by the subcontractors of the direct suppliers of finished goods, the suppliers are required to develop an appropriate monitoring system or amfori BSCI audit

system by 2024. In 2021, 70% of GERRY WEBER International AG's suppliers had already developed their own monitoring or audit system for their supply chain. 100% of our finished goods suppliers should have achieved this goal by 2024.

We regard the intensive support and cooperation with our suppliers by our specially trained employees as a continuous development process.

### Regular audits

The audit as a risk management measure should help us to identify the risk per supplier. As part of further cooperation with a supplier, he must have audits carried out for his business operations according to a defined cycle.

The repetition of the audit depends on the rating received in the last audit. If the audit result is A, far above average, or B, the producer fully complies with our social standards. Ratings of C to E show that certain processes, measures or areas of the manufacturer have deficiencies. These must be improved or eliminated within a reasonable period of time. The improvement must be proven in a follow-up audit within a period of up to one year.

We are aware that audits merely show the status quo. The audit alone is not helpful for supplier development. We therefore focus more on the continuation of the improvement process.

The results of our audits for the fiscal year 2021 can be seen in the chart (on page 25).

### Strategic Targets Partners

Readymade garment supplier with a direct business relationship with GW are 100% audited by Amfori BSCI Audit until 2021

Transparent recording and communication of the supply chain at all stages by 2025

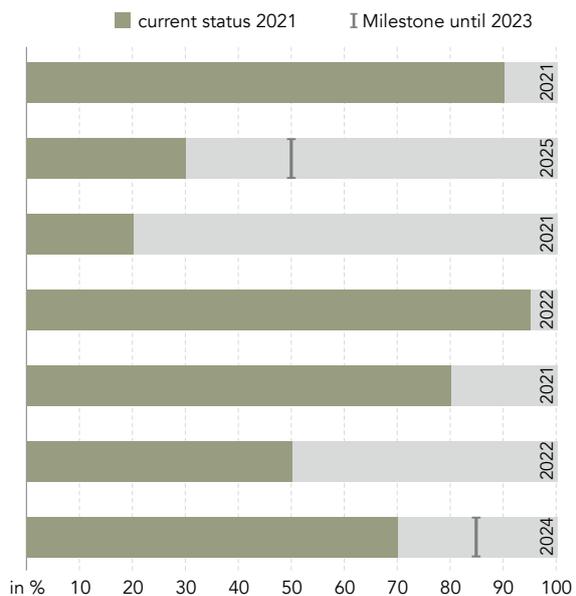
Develop a strategy to promote decent and fair wages in the supply chain by 2021

Readymade garment supplier with a direct business relationship with GW have a 100% satisfactory audit result by 2022

Preparation of an ecological risk analysis by 2021

Implementation of ZDHC MRS� – all suppliers with wet processes strive for conformity by 2022

All readymade garment supplier have an adequate system to audit their supply chain, subcontractor 100% audited, through BSCI audit or other monitoring measures by 2024



Due to the COVID-19 pandemic, we were unable to conduct audits as planned. The pandemic also forced us to postpone planned improvements at our suppliers. The rate of suppliers with a good audit therefore declined slightly.

No serious injuries were identified in the year under review.

The deviations frequently identified in the audits mainly relate to the management system and the cascade effect, as well as to occupational safety and adequate working hours.

As GERRY WEBER is aware of the impact of its international business activities, we have set ourselves the goal to expand our measures aimed at responsible action along the value chain.

We have obliged our finished goods suppliers who have a direct business relationship with GERRY WEBER to carry out an amfori BSCI audit. This is to achieve a certain comparability of suppliers with regard to their compliance with social standards. In addition, we want to underline our membership of amfori BSCI as an important instrument to anchor the social standards.

95% of our finished goods suppliers passed an amfori BSCI audit in the reporting year. The remaining 5% will be audited in 2022.

Another goal we have set ourselves is to improve the social standards of our suppliers. Finished goods suppliers who have a direct business relationship with GERRY WEBER should achieve a 100% satisfactory result in the amfori BSCI audits by 2022. To this end, we are working with our

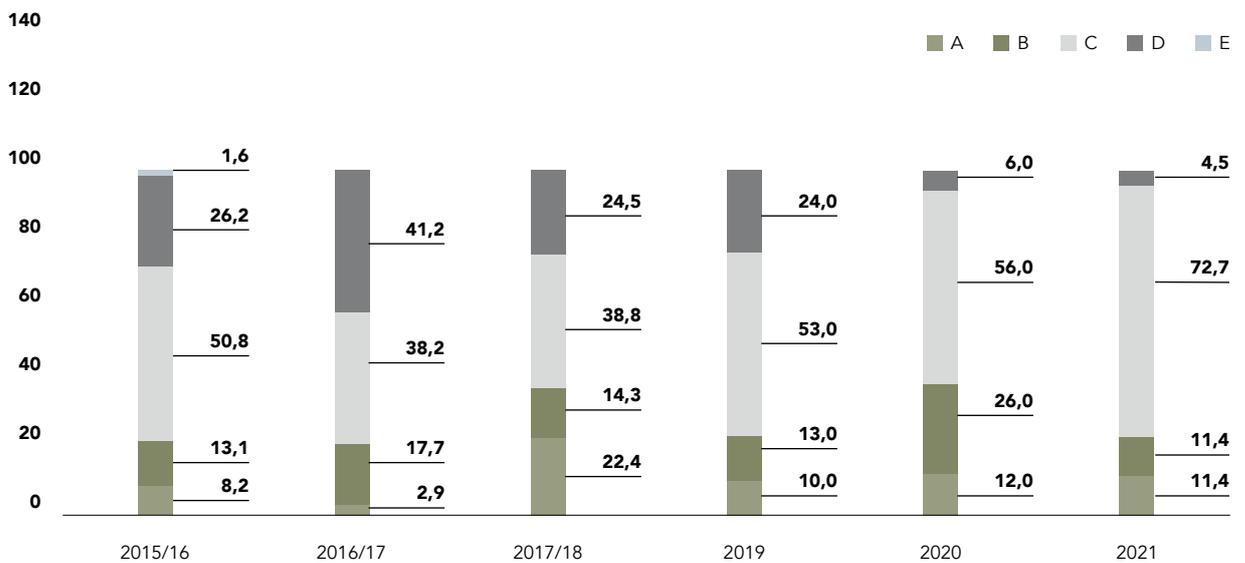
suppliers on the deficiencies identified in the audit report and will jointly initiate improvement measures. The training of our suppliers and their responsible staff is an important instrument for achieving improvements. Suppliers can attend (online) training courses via the amfori BSCI Academy, where they are trained on individual aspects.

These means helped 95% of our finished goods suppliers to achieve a 100% satisfactory audit result in the reporting year. The 100% target should be reached next year.

### Living wage

GERRY WEBER owes its success not only to the employees at its own sites but also to the employees of its suppliers. Our products are often manufactured in countries where a living wage is not always paid. Depending on the persons living in the household, a living wage includes certain percentages for food, medicines, savings, education and other aspects. The challenge is that there is no uniform definition of the living wage and wages may also vary within a country depending on the region. This makes it very complicated to determine a living wage. We want to rise to this challenge. Our first goal therefore is to develop a roadmap to be able to make a contribution to this issue. As COVID-19 again presented us with challenges in the reporting year, we had to put this issue on the back burner and only developed the first stages of the roadmap. This will be continued and completed in 2022, though.

Changes in audit results (in %<sup>1</sup>)



1 Due to rounding, the individual percentages do not add up to a full 100%.  
 2 A/ outstanding up to E/ immediate actions required

## Environmental responsibility in the supply chain



Antje Finke, Quality Management, Ecological Requirements

GERRY WEBER International AG has committed itself to offering only products that are non-hazardous to health. GERRY WEBER has therefore been operating a comprehensive quality management system for years, according to which the raw material suppliers are selected. Some of the requirements go far beyond the legal requirements or the requirements of the Oeko-Tex Standard 100. This list of requirements is summarised in the "Special Terms and Conditions" and must be signed and complied with by each supplier. These include the obligation to comply with the European Chemicals Regulation REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), which lists chemicals that may be present in our end products only to a limited extent or not at all. Besides the REACH requirements, the following regulations form the basis for our requirements for our raw material suppliers:

- Section 30 of the German Food and Feed Code (LFGB) and the related laws and ordinances
- German Chemicals Prohibition Ordinance
- Flammability Ordinance of Switzerland and the Netherlands

- European Directive 76/769/EEC and its corresponding amendments and additions
- REACH Annex XIV (Candidate List) in accordance with article 57 REACH (European Directive 1907/2006)
- German Packaging Ordinance

The accredited test lab contract partners test all items, both from Europe and Asia, according to a specified test plan for carcinogenic, teratogenic and mutagenic substances, as well as for possibly allergenic dyes. Only non-harmful raw materials are approved for production. The finished garment is additionally randomly tested for the possible risk parameters in full garment tests.

In 2021, we decided to further expand our already good commitment in this area. GERRY WEBER International AG has introduced a further catalogue of criteria for all suppliers with wet operations with a view to limiting or even completely prohibiting the use of chemicals during the manufacturing phase of a garment. This is to ensure that human and ecotoxicological exposure to chemicals is reduced. This catalogue of requirements, the "Material Restricted Substances List" is drawn up according to the specifications of the "Zero Discharge of Hazardous Chemicals" (ZDHC) initiative. All suppliers with wet operations should aim for compliance in 2022. In the reporting year, this was achieved by 50% of the operations.

In the long term, we plan to continuously increase the share of suppliers with ecological certificates in order to expand and support our risk management in the supply chain.

### OEKO-TEX 100 certification

We have been certified to the Oeko-Tex Standard 100 since 2020. The Oeko-Tex Standard 100 guarantees that all components of the product have been tested for harmful substances and that these are below the legal limits. In addition, materials that are not yet regulated by law, but which pose a health risk, are also regulated.

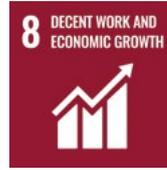
## Global Organic Textile Standard (GOTS)

In 2021, we were again certified to the Global Organic Textile Standard (GOTS), which means that we are able to continue offering our customers cotton products from controlled organic cultivation.

GOTS is a leading global standard for the processing of textiles made from organically produced natural fibres. It covers the entire textile production chain with regard to environmental criteria and additionally requires compliance with social standards. All businesses involved in the manufacturing process are controlled and certified annually. To protect the farmers and the environment, the use of harmful pesticides is strictly forbidden in the farming of organic cotton. Genetically modified seeds are also banned. The use of chemicals along the entire production chain is subject to strict requirements.

All wastewater must be treated in order to protect workers, the environment and water resources. Only textiles that are manufactured from at least 70% or 95% controlled biological raw fibres (cotton in our case) are eligible for GOTS certification. For its organic cotton collections, GERRY WEBER International AG uses both label level 1, i.e. at least 95% cotton from controlled organic farming, and label level 2 for products with an organically controlled cotton content of 75% to 94%.

## EMPLOYEES



The creativity, expertise and commitment of its employees are the key success factors for GERRY WEBER International AG. It is only thanks to their dedication and their personal motivation, their enthusiasm for fashion and trends and their courage to try out new ideas that we can produce our modern collections.

Our employees thus constitute the central point of our company, and we are entirely committed to their well-being. We promote a corporate culture of mutual appreciation and respect. GERRY WEBER International AG operates in an international competitive environment. The demands made on the company are increasing constantly. In addition, the company is facing social changes and challenges such as demographic change and the COVID-19 pandemic. To be successful in the long term, it is important to attract and retain the talents of tomorrow. We have therefore developed an employer branding programme called "Join & Stay".

We are committed to upholding and respecting human rights and the values laid down in our Code of Conduct at all our locations.

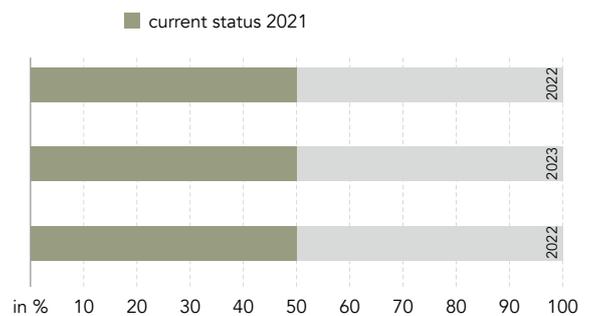
With the above, we contribute to SDG 8.

### Strategic Targets Employees

Employer branding "Join and Stay" until 2022

Increase in employee satisfaction based on survey, improvement of GW as an employer by 2023 (Cultural Change to fun and performance culture)

Increase in personnel development and training by 2022



## Management approach



Dirk Wefing, Director Human Resources

The aim of our “Join & Stay” programme is to make us a leading employer in the fashion industry. The programme was developed in the reporting year with input from our staff. In a first step, we surveyed our employees to identify the values that are important to them. The following values were rated as very important by our employees:

1. Team spirit
2. Appreciation
3. Mindfulness

These values form the basis of our corporate culture and the foundation for our human resources work.

The cornerstones of the “Join & Stay” programme include a work-life balance concept, an informal and casual working atmosphere, opportunities for promotion and further training, project responsibility and career opportunities as well as the promotion of women in leadership positions.

Measures have been identified for all points and some of them have already been initiated in full. We will regularly review the values and focal topics that are important to our employees and adjust them if necessary.

Some measures, e.g. in the area of training, had to be postponed due to the COVID-19 pandemic, however. These will be implemented and completed in 2022. The goal to “implement an employer branding programme” was achieved at 50% in 2021.

We want to change the corporate culture of GERRY WEBER towards a culture of performance and fun. As a first measure, we introduced a first-name culture at GERRY WEBER in the reporting year, which supports trusting and open dealings among employees at all levels. Moreover, we are making the salary structure increasingly performance-oriented. Good performance should be rewarded with a good salary. These measures have been complemented by other measures, such as the introduction of a mobile working policy, flexible working hours, a bicycle leasing scheme, a company restaurant with a chef and a nearby day nursery.

The change process requires transparent and clear communication in order to be supported by everyone. Employees are therefore provided with regular newsletters and information. To allow employees to ask questions and make comments, a special section has been set up on the intranet, where employees can anonymously contact the Managing Board on all topics. This possibility of communication was frequently used in the reporting year.

It is important to GERRY WEBER that managers and executives also adapt to changes in the working world and in working concepts. We have therefore developed a special training course for our executives on topics such as “mobile leadership”.

Building on the results of the values survey, GERRY WEBER has complemented its leadership concept and integrated it into the training courses for executives. Due to the COVID-19 pandemic, it was not possible to train all executives on these topics in the reporting year. The training will be rolled out step by step.

As a result of the measures initiated, GERRY WEBER was able to improve its ranking in the “Working-in-Fashion” study launched by Textilwirtschaft by 10 places in the reporting year. We see this improvement only as the first step, however, as we consider our measures and activities to be of a long-term nature. Basically, we intend to use this study as a tool to measure the satisfaction of our employees. Internal surveys are another measurement tool for employee satisfaction and will therefore be conducted at regular intervals.

The Human Resources Department, based in Halle/Westphalia, is responsible for the continuous review and

ongoing development of Group-wide human resources management. It cooperates closely with the heads of other central units as well as with the executives of the Group companies. The Human Resources Department is led by the Human Resources Director, who reports directly to the Managing Board.

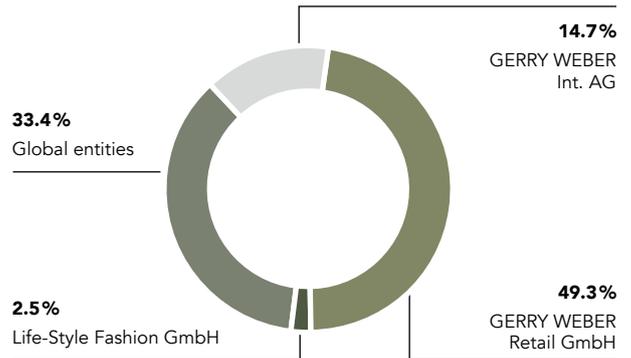
The fundamental principles of our human resources management are based on our various internal guidelines. Our Code of Conduct (CoC) sets out the cornerstones for trusting cooperation within the company and in dealings with the company's customers and suppliers. Our expectations regarding the cooperation with suppliers have been summarised in our Social Compliance Agreement.

In this way, we want to provide clarity on the binding rules of the company with regard to ethical and legal issues.

## Our employee structure

In the reporting year, the employee structure of GERRY WEBER was as follows:

### Employee structure <sup>1</sup>

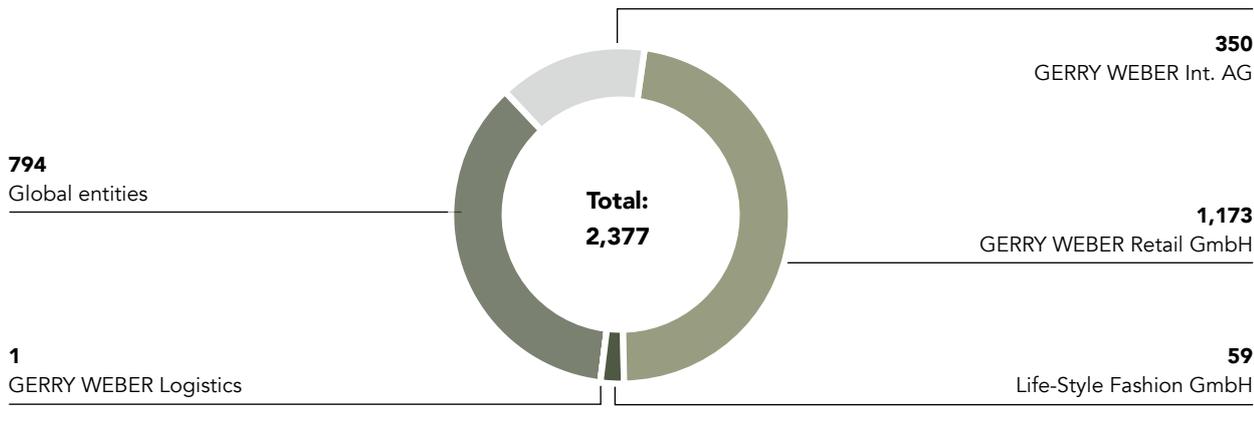


<sup>1</sup> Due to rounding, the individual percentages do not add up to a full 100%.

	As of 31.12.2020			As of 31.12.2021		
	Total employees	Women in %	Men in %	Total employees	Women in %	Men in %
GERRY WEBER International AG	359	68.2	31.8	350	68.0	32.0
GERRY WEBER Retail GmbH	1,145	98.2	1.8	1,173	98.2	1.8
Life-Style Fashion GmbH	58	84.5	15.5	59	84.7	15.3
GERRY WEBER Logistics	153	59.5	40.5	1	100.0	0.0
TB Fashion	97	99.0	1.0	0	0.0	0.0
Global entities	781	NA	NA	794	93.7	6.3
<b>Total</b>	<b>2,593</b>	<b>88.6</b>	<b>11.4</b>	<b>2,377</b>	<b>91.9</b>	<b>8.1</b>

<sup>1</sup> Due to rounding, the individual percentages do not add up to a full 100%.

**Contracts permanent and temporary**



**Total number of employees by employment contract (permanent and temporary)**

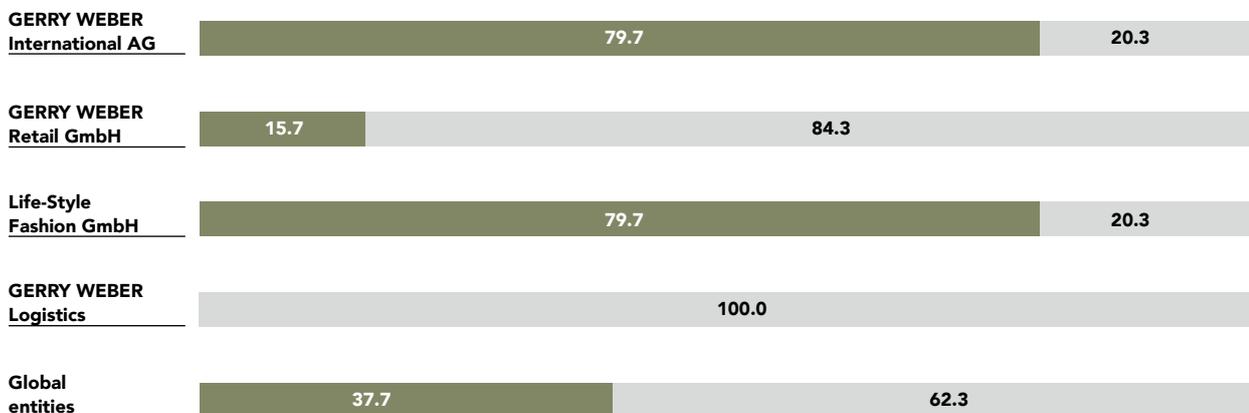
As of 31.12.2021

	Employees total	permanent		temporary			
		Total in percentage	Men	Women	Total in percentage	Men	Women
GERRY WEBER International AG	350	86.6	98	205	13.4	14	33
GERRY WEBER Retail GmbH	1.173	88.9	20	1023	11.1	1	129
Life-Style Fashion GmbH	59	98.3	9	49	1.7	0	1
GERRY WEBER Logistics	1	100.0	0	1	0.0	0	0
Global entities	794	83.2	44	617	16.8	6	127
<b>Total</b>	<b>2,377</b>		<b>171</b>	<b>1,895</b>		<b>21</b>	<b>290</b>

1 Due to rounding, the individual percentages do not add up to a full 100%.

**Total number of employees by employment relationship (full-time and part-time)**

■ full-time ■ part-time



## Diversity at GERRY WEBER

Diversity is an integral element of GERRY WEBER's corporate culture. We are convinced that our heterogeneous employee structure is an important success factor. The different perspectives, cultures and ways of thinking enable us to offer innovative products for increasingly diverse markets and customers.

We protect a working environment that is non-discriminatory and offers equal opportunities. According to our Code of Conduct, our employees are determined solely by their performance and skills.

In the reporting year, we introduced gender-sensitive language to make our attitude transparent to all employees.

We offer numerous training options to strengthen the understanding and appreciation of diversity, thus promoting an inclusive corporate culture.

### Management structure in %

	As of 31.12.2021	
	male	female
Executive employees	50.0	50.0
Employed staff	9.7	90.3
Industrial workers	4.6	95.4
Trainees	25.0	75.0
Temporary Employees	9.6	90.4

### Age structure in %

	As of 31.12.2021		
	<30	30-50	above 50
Executive employees	0.0	68.8	31.3
Employed staff	6.5	33.2	60.2
Industrial workers	12.6	17.7	69.7
Trainees	100.0	0.0	0.0
Temporary Employees	33.0	22.7	44.9

## Work-life balance

We measure performance on the basis of results and not on the basis of presence. Therefore, we have promoted flexible working hour schemes since 2011. Building on a culture of trust, we feel it is only natural to offer our employees options such as part-time work, flexible working hours, new workplace schemes and mobile working.

The importance of mobile working has been highlighted once again by the COVID-19 pandemic. GERRY WEBER has therefore introduced a comprehensive and innovative mobile working policy for maximum flexibility, individual compatibility and work-life balance. An average of 40% of the employees are on site, with many working mobile a few days per week from wherever it is convenient for them. This way, we express trust and personal responsibility to our employees and want to give them maximum flexibility in terms of time and place.

Our leaders are encouraged to exemplify and actively support the possibilities of flexible working.

The reconciliation of work and family life is an important aspect of GERRY WEBER's human resources policy. To offer our employees with children an ideal working environment, we have entered into a cooperation agreement with the KIDS WORLD day nursery, which is located close to the company headquarters. Offering 45 hours of childcare and opening hours until 5 pm on weekdays, the day nursery makes it easier for parents to return to work. The physical proximity to GERRY WEBER reassures parents as it allows them to be with their children quickly and at any time in an emergency.

## Occupational safety and health protection

**Working safely thanks to COVID-19 Task Force and healthcare (incl. testing and vaccination centre)**

Maintaining and protecting the health of employees was very important also in the second year of the COVID-19 pandemic. For us as employers and for our employees, COVID-19 is still one of the

most important health protection issues.

A COVID-19 Task Force installed at GERRY WEBER International AG back in February 2020 has ensured maximum safety for our employees during the pandemic. The installation of a testing and vaccination centre, which continues to offer free testing to all staff and an equally easily accessible vaccination service, has contributed to a very low infection rate and a feeling of safety at the workplace.

GERRY WEBER International AG has developed a special back exercise programme, SALUTO, to promote the health of its employees. Employees have the opportunity to do exercises at a reduced price once per week in order to stabilise their back muscles.

In order to maintain the health of our employees, we also promote a healthy diet. We have therefore opened a company restaurant at our headquarters, where fresh and healthy food is prepared every day.

If prescribed by a doctor, employees are provided with appropriate aids, such as height-adjustable desks, standing aids, hearing protection, etc. In addition, the costs of VDU glasses are covered. An in-house medical service is provided at the company headquarters in Halle and at all stores.

## Education and training

The GERRY WEBER Group offers young, ambitious people the opportunity of intensively supervised and varied vocational training. Every year, we offer ten apprenticeships for industrial management assistants, system integration IT specialists, retail assistants, e-commerce management assistants as well as textile and fashion tailors.

As of 31 December 2021, we had 19 apprentices. It is our declared goal to train the apprentices for our own needs and to take them on after successful completion of their training.

GERRY WEBER also offers students the opportunity to enter professional life with a dual study programme at the Digital Business University. One student took advantage of this offer in the reporting period.

Employees' potential for development is assessed in annual, future-oriented interviews, also referred to as "progress dialogues", with the direct superior, and suitable measures are determined. These may be individual or collective measures. In the reporting year, digital training courses via MS Teams or webinars were realised.

Further training measures are recommended as required. The objective is to promote both the personal and the professional development. We want our employees to grow with and within the company.





# ENVIRONMENT



We take our claim to leadership as a leading fashion brand seriously. We protect nature, the environment and the planet. We behave responsibly and set reliable impulses for global cooperation in the value chain of the fashion industry.

In 2021, we updated our strategic goals for the environment. We thus want to place a stronger focus on this topic and intensify our activities in this area.

By working towards environmental and climate protection, we contribute to SDG 13.

## Management approach

It is our stated goal to reduce the environmental impact of our activities to a minimum.

We have therefore taken measures to ensure resource-efficient production and to reduce our carbon footprint. A strong focus is being placed on reducing the environmental impact at our own sites and in the supply chain. At the same time, we are working on implementing the principle of the circular economy in various areas.

We also operate a comprehensive environmental and energy management system. With the help of these management systems, we achieve efficiency improvements in all the above-mentioned areas and continuously measure the degree to which our goals are accomplished.

This enables us to prevent any environmental violations and eliminate them before they occur.

In the year under review, no fines were imposed for any environmental violations.

## EU taxonomy

According to the EU Commission Regulation, companies are obliged to disclose taxonomy KPIs starting 2021. These KPIs are intended to help identify sustainable business activities and to channel investments into such activities.

Economic activities are classified in terms of their contribution to the following six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

In the first year of reporting, we are merely obliged to report on the climate-related objectives. The reporting in the first reporting year is limited to the disclosure of the proportion of taxonomy-eligible and non-taxonomy-eligible activities in relation to turnover, capital expenditure (CapEx) and operating expenditure (OpEx) as well as selected qualitative disclosures related to these.

As no specific taxonomy criteria are currently available for companies in the apparel sector and their primary economic activities, the economic activities of GERRY WEBER International AG are largely classified as non-taxonomy-eligible.

However, in connection with the applicable provisions for the two climate change objectives, there are cross-sectional activities which, although not sales-generating for GERRY WEBER, are fundamentally relevant. The activity overview listed in the annexes to the Delegated Act on

## Strategic Targets Environment

CO<sub>2</sub> neutrality of the company headquarter by 2023

Use of 100% green electricity by 2025

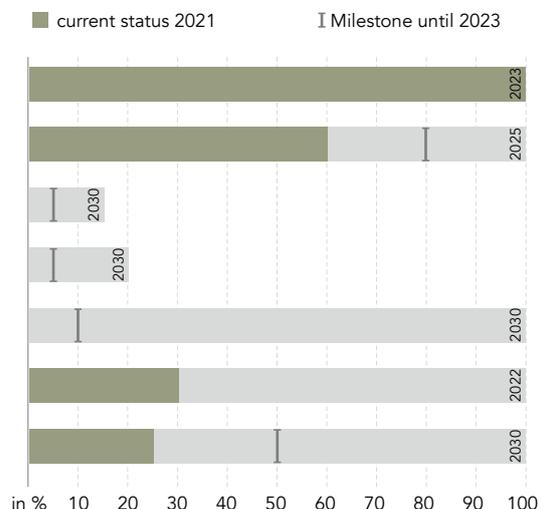
Reduction of external electricity consumption in relation to sales area(m<sup>2</sup>) by 15% (reference year 2021) by 2030

Reduction of relative non-recyclable waste generation in relation to sales by 20% (reference year 2021) by 2030

CO<sub>2</sub> neutrality of the internal vehicle fleet by 2035

Creation of a sustainable concept on the topic of circular economy incl. measures until 2022

CO<sub>2</sub> neutrality across the entire company by 2030



the two climate change objectives served as the basis for determining the taxonomy-relevant economic activities.

With regard to the taxonomy-eligible CapEx, investments made in connection with the installation of in-store recycling boxes were classified as eligible. The basis for this was the data from the Controlling and Accounting Departments. As the sum total of the taxonomy-eligible CapEx represents less than 5% of the total CapEx incurred in the reporting year, the taxonomy-eligible CapEx is classified as negligible and is consequently not reported.

The taxonomy-eligible OpEx essentially comprises direct costs related to leasing, maintenance and repair as well as to installation and implementation of sustainability management software. Again, the proportion of taxonomy-eligible OpEx is less than 5% and does not need to be reported.

### Climate change mitigation

Climate change mitigation is one of the global challenges of our time. We consider climate change and its effects as part of our sustainability and risk management.

In doing so, we look at both the potential impact of our business activities on the global greenhouse gas footprint and the impact of climate change on our business activity.

In a first step, we focus on our own sites, as this is where we have the greatest influence.

The company has set itself the goal to achieve climate neutrality for the headquarters by 2023 and for the Group as a whole by 2030.

One year earlier than planned, the GERRY WEBER Group reached one of its medium-term sustainability



goals: the headquarters in Halle/Westphalia are climate-neutral. In the sustainability agenda published by GERRY WEBER last November, the climate neutrality goal for the company headquarters had been set for 2023. Thanks to restructurings and various other measures, the headquarters' externally sourced energy has been reduced by approx. 30% since 2016. The remaining emissions are offset in cooperation with the Planted start-up.

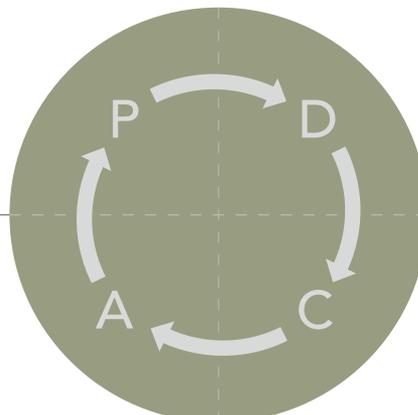
### PDCA cycle

**Plan**

- Responsibility of top management
- Determine energy policy
- Appoint an energy officer
- Initial assessment of the energy situation

**Act**

- Evaluation by top management
- Management review
- Deriving new goals



**Do**

- Realization and operation
- Communication within the company
- Providing the necessary resources

**Check**

- Verification
- Analysis
- Corrective actions
- Preventive Actions
- Internal audits

## Energy



Patrick Kühnast, Coordinator Shared Services & PMO

GERRY WEBER is constantly working to reduce energy consumption in the context of its energy management system. Consumption is monitored in a clearly defined monitoring process. This enables the quick identification of deviations and potential for improvement. Deviations are immediately discussed by the Environmental Management Team with the responsible officers of the departments concerned, so that measures to reduce consumption can be initiated.



We operate a certified environmental and energy management system in accordance with ISO 140001 and ISO Standard 50001, respectively, which prescribe a defined process.

Since 2016, GERRY WEBER has been certified by TÜV Rheinland at regular intervals.

In the reporting year, we consumed 13,675,585 kWh (electricity+gas) in Germany.

The logistics centre is included in this figure until 31 August 2021.

By switching to electricity from renewable sources, we are seizing another opportunity to reduce our carbon footprint. Our branch in Austria already uses 100% green electricity. The headquarters were converted to 100% electricity from renewable sources at the beginning of 2022. Before that date, approx. 65% of our power supply was green electricity.

GERRY WEBER International AG has defined the electricity consumption of the year 2021 as the reference value.

By 2023, we want to reduce the external electricity sourced – in relation to the space – by 15% compared to the reference year 2021.

To be able to achieve this goal, we have initiated various measures, such as the gradual conversion of the lighting in the administration and office buildings as well as the retail stores to LED lighting.

## Emissions

In 2021, GERRY WEBER consumed 2,116.32 t of CO<sub>2</sub> equivalents in connection with its business activities at its headquarters. This includes not only emissions from our own electricity purchases and consumption, but also staff travel to and from work, business trips and consumption by our vehicle fleet.

We have offset this amount of CO<sub>2</sub> equivalents through a climate change mitigation project in Chile. The project, carried out in collaboration with Planted (see below), promotes the goal of using the hydrological resources of the Tinguiririca, Portillo and Azufre rivers in a run-of-river power plant. The emission-free energy thus generated is fed into Chile's central power grid (SIC). The power plant generates certified emission reductions (CERs) by replacing the electricity that would otherwise be generated by grid-connected power plants using fossil fuels.



### PLANTED

Planted helps its customers become climate positive by planting mixed forests locally in Germany and buying carbon certificates from selected social and environmental projects. The non-profit organisation aims to promote environmental protection and international understanding.

In the reporting year, we additionally switched to climate neutral dispatch of products ordered in our e-shop.

We are aware that these steps alone will not be sufficient to achieve climate neutrality.

We therefore strive to reduce our emissions by taking additional measures.

For instance, we want to make our internal vehicle fleet carbon neutral by 2030. As a first step to reach this goal, we have drawn up a Motor Vehicle Policy, which specifies a carbon limit for the purchase of new company cars. Moreover, we will gradually switch our vehicle fleet to fully electric company cars.

By 2030, we also want to reduce relative non-recyclable waste by 20%. We determined this figure for the first time in 2021, which will thus serve as the reference year.

We will have recorded and validated the quantities in the course of the next audit.

We want to reduce the amount of waste primarily by optimising our processes and training our employees as well as by avoiding unnecessary packaging and using modern and ecological materials.

## Environmentally friendly dyeing methods

We already use water-saving and resource-efficient dyeing methods to meet our responsibility towards the environment.

### Dry Indigo®

The innovative Dry Indigo® process facilitates the resource-efficient production of denim. In contrast to the conventional dyeing process, the yarn is dyed using a waterless foam technique. This means that no water is needed for dyeing and therefore no waste water is produced. In addition, energy consumption is cut by 65% and the use of chemicals is reduced by 89%.

### Dry Black®

The novel Dry Black® process is similar to the Dry Indigo® process and also meets the requirements for an environmentally friendly and sustainable dyeing process, thus greatly minimising the impact on the environment. The Dry Black® process uses 99% less water and therefore produces no waste water. Additionally, the use of chemicals is reduced by 52%. Energy savings amount to 72%.

## Circular economy

**Take-back of used items at all HoGWs in Germany and Austria incl. reconditioning and resale in our factory outlets**

resources. The term circular economy refers to various "R-strategies", all of which contribute to greater circularity. This includes the useful application of the materials, the extension of the useful life and the smart use or manufacture of the products.

The circular economy is an integral element of our sustainability strategy, which is why we are always on the lookout for new, innovative ideas that take us forward. In collaboration with students from AMD Akademie Mode & Design, we have developed 75 limited edition dog beds made from recycled material, which we are now proud to present and offer exclusively for online sale. Each unique piece was sustainably made from production leftovers or returns that could no longer be used.

GERRY WEBER has already initiated various measures to conserve resources and contribute to the circular economy.

The circular economy is not just a fashion trend, but is essential if we want to conserve re-

Furthermore, GERRY WEBER International AG has entered into a cooperation with the Institute of Plastics and Circular Economy (IKK) of the Leibniz University of Hanover. We work together to recycle textiles in order to protect the environment and resources in the long term.

In the context of the cooperation, GERRY WEBER provides the materials in return for insights into recycling-related issues as well as on concepts in the fields of "design for recycling" and "design for recycles". This way, we can then close the cycle in perspective, which is an important factor for the responsible and sustainable design of a company's processes.

The IKK, headed by Prof. Dr.-Ing. Hans-Josef Endres, is developing processes in cooperation with various industrial companies to enable the sustainable recycling of textile products and textile fibres in injection moulded components or lightweight construction applications.

"Being able to participate in the development of innovative recycling processes is showing the way forward for GERRY WEBER and fits perfectly into our sustainability strategy," says CEO Angelika Schindler-Obenhaus. "Going forward, textiles can thus provide valuable resources after the end of their useful life."

## Recycling at GERRY WEBER

In cooperation with I:CO, we started setting up recycling boxes in stores in Germany and Austria in mid-April 2021 to collect used clothing.

Our customers can hand in their used clothes and shoes of all brands in the test stores and receive a 15% voucher on their next purchase. This voucher is directly redeemable, may be combined with other promotions and is accepted in all stores nationwide.

Items that are still in good condition are sold as second-hand garments in our outlet stores. Garments that can no longer be sold go to I:CO. The latter organises the industrial recycling of the garments and uses the recycled fibres for recycled products in various sectors. Currently, a large part goes to the automotive industry or the construction sector as insulation material.

But that is not enough for us – we want more! We would like to further expand our commitment to the circular economy. GERRY WEBER has therefore set itself the goal of developing a sustainable strategy of measures on the circular economy by 2022.

# SOCIETY



#WEAREGERRY stands for our understanding of sustainability that goes beyond our core business. For us as a global company, it goes without saying that we take responsibility for society and positively influence it in a sustainable manner.

Being one of the leading suppliers of fashion for women, we see it as our responsibility, especially for women, to work towards strengthening their acceptance and their rights.

GERRY WEBER is already involved in several projects. But we can do more – we want to further expand our commitment and thus contribute to SDGs 5, 10 and 13.

## Management approach

GERRY WEBER International AG already supports numerous projects through donations. But we want to further expand our commitment in the projects and fields that we consider important.

The first goal we have set ourselves is to develop a detailed cooperation plan by 2022. This plan will specify the basic demands we make on projects that we want to support. It is important to GERRY WEBER that the projects supported are consistent with the company's values and principles.

As a first step towards this cooperation plan, we have identified and defined the focal topics that we find important:

1. Diversity and inclusion
2. Gender equality and respect for women's rights and health
3. Biodiversity at the site

At the end of the reporting year, 60% of the cooperation plan had been drawn up.

## Focus points of our commitment to society

### LebensHeldin! e. V.

Breast cancer is an issue that still affects about 70,000 women every year. Currently, approximately 700,000 women worldwide suffer from breast cancer. In this phase of greatest mental and physical stress, there is often a lack of access to positively cope with the life-threatening illness.

As we are aware of the importance of support, we have sought a partner who shares our visions and values.

LebensHeldin! e. V., with Angelika Schindler-Obenhaus as its patron, is the first non-profit organisation which is committed to a new women's health culture. The initiative supports women after breast cancer and supports breast cancer prevention and education. It empowers women in their self-efficacy and creates awareness for a healthy lifestyle.

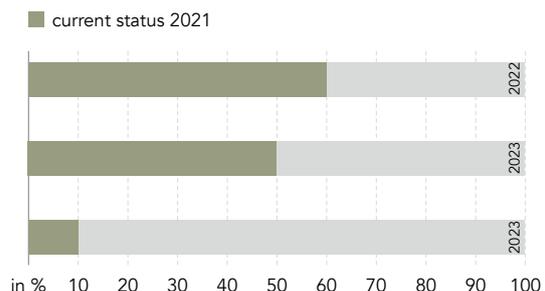
We support the association not only personally and financially but also as a platform where we jointly promote its contents and visions. For example, we had T-shirts and sweatshirts printed and produced for Breast Cancer Day with visuals from a competition we organised together.

## Strategic Targets Society

Preparation of a detailed cooperation plan until 2022

Expansion of communication on the topic of sustainability for relevant stakeholders by 2023

Continuous enhancement of biodiversity in Halle (Westph.) until 2023





The proceeds from the sale of the garments were donated to the association.

By putting up donation boxes in the stores, GERRY WEBER International AG also made it possible for its customers to directly donate to fundraising campaigns.

### Terre des Femmes

GERRY WEBER is primarily committed to standing up for women and the protection of their rights. We therefore decided to support Terre des Femmes' #unhatewoman project. The #unhatewoman project wants to draw attention to verbal violence against women in songs, posts or public messages; these also affect the customers of GERRY WEBER International AG. To raise awareness of the issue, we had special shirts made to draw attention to the problems faced by women around the globe. Part of the proceeds will be donated to the campaign.

#### Continuous expansion of stakeholder-relevant certifications

- GOTS, ZDHC
- DIN:EN ISO 50001
- DIN: EN ISO 14001

Terre des Femmes – Menschenrechte für die Frau e.V. is a non-profit human rights organisation that campaigns for a self-determined, equal and free life for girls and women worldwide. Through high-profile activities, publications, events, campaigns and lobbying, Terre des Femmes raises public and political awareness of gender-based violence and discrimination. Terre des Femmes supports girls and women through specific awareness programmes in schools and their communities. Terre des Femmes is internationally networked with other women's rights organisations and supports projects, organisations and initiatives by women for women abroad. The work of the association focuses on the main topics of female genital mutilation, domestic and sexualised violence, violence in the name of "honour", trafficking in women and prostitution, equal rights and integration as well as international cooperation. A women's rights organisation based in Berlin, Terre des Femmes is financed by donations, membership fees and grants.



# GRI DIRECTORY

GRI	Standard-specific Disclosures	Omissions	Page
<b>Organizational Profile</b>			
102-1	Name of the organization		9
102-2	Activities, brands, products, and services		9
102-3	Location of headquarters		9
102-4	Location of operations		8
102-5	Ownership and legal form		9
102-6	Markets served		GB
102-7	Scale of the organization		29-31
102-8	Information on employees and other workers		29
102-9	Supply chain		21-26
102-10	Significant changes to the organization and its supply chain		13, 14, 22, 23-25, 26, 28, 29, 31, 32
102-11	Precautionary Principle or approach		5, 17, 19
102-12	External initiatives		17-19
102-13	Membership of associations		
<b>Strategy</b>			
102-14	Statement from senior decision-maker		4
102-15	Key impacts, risks, and opportunities		
<b>Ethics and Integrity</b>			
102-16	Values, principles, standards, and norms of behavior		12-15
102-17	Mechanisms for advice and concerns about ethics		13, 14
<b>Governance</b>			
102-18	Governance structure		14
102-19	Delegating authority		14, 15
102-20	Executive-level responsibility for economic, environmental, and social topics		5
102-21	Consulting stakeholders on economic, environmental, and social topics		16, 18
102-22	Composition of the highest governance body and its committees		GB
102-23	Chair of the highest governance body		GB
102-24	Nominating and selecting the highest governance body		GB
102-29	Identifying and managing economic, environmental, and social impacts		15-17
102-31	Review of economic, environmental, and social topics		8
102-32	Highest governance body's role in sustainability reporting		8
<b>Stakeholder Engagement</b>			
102-40	List of stakeholder groups		18
102-42	Identifying and selecting stakeholders		18
102-43	Approach to stakeholder engagement		18
102-44	Key topics and concerns raised		15

GRI	Standard-specific Disclosures	Omissions	Page
<b>Reporting Practice</b>			
102-45	Entities included in the consolidated financial statements		8
102-46	Defining report content and topic Boundaries		8
102-47	List of material topics		15
102-48	Restatements of information		
102-49	Changes in reporting		
102-50	Reporting period		8
102-51	Date of most recent report		
102-53	Contact point for questions regarding the report		44
102-54	Claims of reporting in accordance with the GRI Standards		8
102-55	GRI content index		40ff.
102-56	External assurance		
<b>Management Approach</b>			
103-1	Explanation of the material topic and its Boundary		14, 15
103-2	The management approach and its components		14, 15
103-3	Evaluation of the management approach		14, 15
<b>Economic Performance</b>			
201-2	Financial implications and other risks and opportunities due to climate change		34, 35
<b>Procurement Practices</b>			
103-2	The management approach and its components		21, 22
204-1	Proportion of spending on local suppliers		
<b>Anti-corruption</b>			
103-2	The management approach and its components		13
205-1	Operations assessed for risks related to corruption		
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		
<b>Environmental</b>			
103-1	Explanation of the material topic and its Boundary		26
103-2	The management approach and its components		26, 27
103-3	Evaluation of the management approach		26, 27
<b>Materials</b>			
103-2	The management approach and its components		19
301-1	Materials used by weight or volume		
301-2	Recycled input materials used		

GRI	Standard-specific Disclosures	Omissions	Page
<b>Energy</b>			
103-2	The management approach and its components		36
302-1	Energy consumption within the organization		36
302-4	Reduction of energy consumption		36
<b>Emissions</b>			
103-2	The management approach and its components		36
305-1	Direct (Scope 1) GHG emissions		36
305-3	Other indirect (Scope 3) GHG emissions		36
305-5	Reduction of GHG emissions		
<b>Waste</b>			
306-1	Waste generation and significant waste-related impacts		37
306-2	Management of significant waste-related impacts		37
306-3	Waste generated		
<b>Environmental Compliance</b>			
307-1	Non-compliance with environmental laws and regulations		
<b>Social</b>			
103-2	The management approach and its components		38
<b>Employment</b>			
401-1	Total number and rate of new employee hires and employee turnover by age group, gender and region		
<b>Labor/Management Relations</b>			
103-2	The management approach and its components		28, 29
402-1	Minimum notice periods regarding operational changes		
<b>Occupational Health and Safety</b>			
403-1	Occupational health and safety management system		31, 32
403-4	Worker participation, consultation, and communication on occupational health and safety		31, 32
403-6	Promotion of worker health		31, 32
<b>Education and training</b>			
103-2	The management approach and its components		32
404-2	Programs for upgrading employee skills and transition assistance programs		32
<b>Diversity and Equal Opportunities</b>			
103-2	The management approach and its components		31
405-1	Diversity of governance bodies and employees		31
<b>Freedom of Association and Collective Bargaining</b>			
103-2	The management approach and its components		31, 32

GRI	Standard-specific Disclosures	Omissions	Page
407-1	Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk and measures taken intended to support these rights		
<b>Child labour</b>			
103-2	The management approach and its components		22
408-1	Operations and suppliers at significant risk for incidents of child labor and measures taken		
<b>Forced or Compulsory Labor</b>			
103-2	The management approach and its components		22
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor and measures taken		
<b>Human Rights Assessment</b>			
103-2	The management approach and its components		23-25
412-1	Operations that have been subject to human rights reviews or impact assessments		23-25
<b>Local Communities</b>			
413-1	Operations with local community engagement, impact assessments, and development programs		
<b>Supplier Social Assessment</b>			
103-2	The management approach and its components		23-25
414-1	Percentage of new suppliers that were screened using social criteria		23-25
414-2	Negative social impacts in the supply chain and actions taken		23-25
<b>Customer Health and Safety</b>			
103-2	The management approach and its components		26
416-1	Assessment of the health and safety impacts of product and service categories		26



# IMPRINT

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